



ZURICH NEW ZEALAND  
NON FLEET MOTOR WORDING

Non Fleet Wording NF102007  
Underwritten by Zurich New Zealand

## POLICY INTRODUCTION

### A. Live Document Navigation

When viewing this document within Adobe Reader there are several ways to quickly navigate to any particular section.

**Quick Links** – There are two buttons located on the top righthand corner of every page, which will take you straight to either this page (contents) or the Index simply by clicking on them.

Both the contents and index pages have built in links which will take you to the relevant section of interest simply by clicking on the appropriate text.

**Bookmarks** – This document is fully 'bookmarked' with references to each section and their contents. By opening the bookmark tab in Adobe Reader you will be able to quickly find what you are looking for.

**Definitions** – All definitions within the policy are highlighted in coloured italic text. Clicking on the word will take you to the relevant definition for that word. To return to your previous view simply click anywhere within the text of the definition you queried.

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## C. The Insuring Clause

At the request of the *Insured* and based upon the information provided to *Zurich*, *Zurich* has offered to provide the insurance terms referred to in this Policy in respect of events happening during the *Period of Insurance* stated in the *Schedule*. The *Insured* in turn has accepted those terms and in doing so has accordingly agreed to pay the agreed premium to *Zurich*.

## D. Definitions

### Accident

Means an unforeseen and unintended happening or event occurring anywhere within New Zealand (or elsewhere when specified in the *Schedule*). Accidental refers to "Accident" as defined above.

### Act Of Terrorism

Means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

### Deductible

Means the portion of any claim payable under this Policy for which *Zurich* is not liable for.

### Description of Use

Means while being *driven* by the *insured*, or anyone with the *Insured's* consent:

- a) in the course of the business of the *Insured* as disclosed to the *Zurich*; or
- b) for private, social or domestic purposes; or
- c) in the course of a business comparable with the *Insured's*, as declared to *Zurich*, and having been temporarily lent out by the *Insured* named in the *Schedule*.

### Driven

Means the driving of, or operation or use of any component in or on, the *Insured's Vehicle*. Any reference to the driver will be deemed to include the user or operator of any component, whether or not the driver.

### Insured

Means the *Insured*, named on the *Schedule* including:

- a) Any committee or boards established by the named *Insured*;
- b) Any Subsidiary company or subsidiary thereof;
- c) Any Associated managed company;
- d) Any social and/or sporting club;
- e) Any employee and/or elected member and/or official;
- f) Any new entity formed or acquired by the named *Insured* through consolidation, merger, purchase or assumption of control or management during the Period of Insurance.

Where there is more than one *Insured* named in the *Schedule* this Policy insures them jointly

**Insured Vehicle**

Means all **Vehicles** specified in the **Schedule**, including their attachments and **Accessories**.

**Loss**

Means sudden physical loss, damage or destruction to an **Insured's Vehicle** caused by an Accident.

**Market Value**

Means the price for which the **Insured** could purchase the same **Vehicle** or a comparable one of similar pre-Loss age and condition.

**Period Of Insurance**

Means the period of time stated in the most recent **Schedule** to which cover under this policy applies.

**Policy Schedule**

Means the most current Policy Schedule and endorsements issued to the **Insured**, and includes any subsequent Policy Schedule and endorsements which may be issued if this insurance is renewed. 'Schedule' refers to Policy Schedule above.

**Public Road**

Means any place the public has access to and uses as an access way or thoroughfare, including roads, bridges, culverts, beaches, riverbeds, reserve lands, ferries, wharfs, tracks or any other passage way.

**Vehicle**

Means any type of machine on wheels, tracks or rollers that is mechanically propelled by its own power and anything designed to be towed by such a machine.

**Vehicle Accessories**

Means such things as spare parts, on board computers, telephone installations, load securing or protection equipment in or on the **Vehicle**, but excluding any item of electrical or communication equipment not permanently affixed to the **Vehicle** and wired into to the **Vehicle's** electrical system. Accessories shall refer to 'Vehicle Accessories' as defined above.

**Zurich**

Means Zurich Australian Insurance Pty trading as Zurich New Zealand.

## SCOPE OF COVER

### E. Section 1 – The Insured's Vehicle

This Section covers Loss by indemnifying the *Insured* (at *Zurich's* sole discretion) by either:

- a) paying for cost of repair; or
- b) paying the amount equal to the reasonable cost of repair; or
- c) paying any amount equal to its *Market Value* at the time of Loss; or
- d) replacing the *Insured's Vehicle*.

*Zurich's* liability shall not exceed the *Market Value* for the *Insured's Vehicle*. However where the *Insured* has not complied with the **Sums Insured General Condition** *Zurich's* liability shall be either the *Market Value* or the sum insured, as shown in the *Schedule*, whichever is the lesser.

*Zurich* shall not be liable for that portion of any repair or replacement, which improves the condition of the *Insured's Vehicle* beyond its condition before the *Loss*. Also if any part or component of the *Insured's Vehicle* is no longer manufactured *Zurich* shall not be liable for more than the supplier's or manufacturer's last list price.

### F. Section 2 – The Insured's Legal Liability

This Section covers the *Insured's* liability at law, including legal expense in defending any claim, to indemnify third parties for their loss or injury in the event of *Accident*, caused by, or in connection with, any *Insured Vehicle*, including while it is being loaded or unloaded;

*Zurich's* total liability shall not exceed the limit specified in the *Schedule* (inclusive of all costs and expenses) in respect of any one claim or claims arising from any one *Accident*.

If *Zurich's* total liability is insufficient to cover both the *Insured* named in the *Schedule*, and any other party entitled to cover under this Policy, cover under this Section shall apply in priority to the *Insured* named in the *Schedule*.

## POLICY EXCLUSIONS

### G. Section 1 Exclusions

Section 1 does not cover:

1. consequential loss, inconvenience, or any other resulting detriment of any kind.
2. depreciation or loss of value.
3. wear and tear, rust, corrosion, deterioration.
4. mechanical, electrical or electronic, breakdown, failure or breakages.
5. **Loss** to any part or component of the engine, hydraulic or transmission systems resulting from Exceptions iii. and iv. above (eg incorrect gear change other than a genuine attempt to prevent collision or impact, servicing or error in lubricant). However resultant damage to any other part or component of the **Insured Vehicle** is not excluded by this Exception.
6. **Loss** to tyres or tracks by application of brakes or by punctures, tears or rips, cuts, splits or bursts unless caused at the same time as other Loss for which a claim is payable.
7. **Loss** arising from ingestion or entry of any foreign object into any agricultural implement or machine (eg tractor or hay bailer).
8. **Loss** arising from failure of, or defect or fault in the design or specification.
9. any **Deductible** applicable to each and every claim. Where more than one **Insured Vehicle** is involved in the same **Accident**, only the higher **Deductible** will apply.

### H. Section 2 Exclusions

Section 2 does not cover liability :

1. in connection with the bringing of a load to the **Insured's Vehicle** or the taking away of a load from it.
2. for any property (including any road or land) arising from vibration caused by the **Insured Vehicle** or from the weight of the load carried by the **Insured Vehicle**, or from the weight of the **Insured's Vehicle** or from the combined weight of the load and the **Insured Vehicle**.
3. directly or indirectly caused while any component of the **Insured Vehicle** is being used or operated for the purpose for which it has been designed (eg digging, scraping, shovelling, grading, boring, drilling, compacting, harvesting, ploughing, shredding, lifting, clearing, levelling, hosing, pumping, spraying, vacuuming).
4. in respect of any property which belongs to, or is in the care, custody or control of the **Insured**, **other than:**
  - a) personal baggage and wearing apparel of any passenger;
  - b) a building leased or rented by the **Insured** or;
  - c) a vehicle (not being the property of the **Insured** or **Insured** under Section 1 of the Policy) which is being towed by a **Insured Vehicle**, **however this does not apply to** vehicles which are towed or recovered for reward where the **Insured's** business includes a vehicle recovery service.
5. in respect of property, or death or injury to any person, who at the time of the **Accident**, was in charge of the **Insured's Vehicle**.
6. arising as a result of a judgment or order of any court outside New Zealand, or for any debt based on such judgement or order.
7. for any **Deductible** applicable to any claim.

## I. General Exclusions

This Policy does not cover any **Loss** or liability:

1. while any **Insured Vehicle** is:
  - a) being driven outside of the **Description of Use**.
  - b) being **Driven** in connection with:
    - i. racing, pacemaking, reliability trial, hill climbing or speed tests, or being driven in preparation for any one of these activities such as pacenoting; or participating in any directly associated activity such as safety vehicle duties where the vehicle is required to be on the track or trackside;
    - ii. advanced or high performance driver training events;
    - iii. any stunt, or film, video or audio recording including the preparation thereof;
    - iv. any experiment;
    - v. recreational offroading which is not on a public road.
  - c) being **Driven**:
    - i. on railway or tramway lines, tracks or cable;
    - ii. in any underground mine, quarry, tunnel (excluding public roads), excavation or cavity.
  - d) being **Driven** in an Unsafe Condition. For this Exception only, unsafe condition includes any condition:
    - i. where the **Insured's Vehicle** has been maintained contrary to the manufacturer's servicing recommendations for that **Vehicle**; or
    - ii. as a result of which the **Vehicle** is not fit to deal with any peril likely to be encountered during the course of its normal operation.

**PROVIDED** this Exception will only apply if the **Insured** or the person in charge of the **Insured's Vehicle**, was aware or with reasonable diligence ought to have been aware of the unsafe condition.

- e) being driven by any person who is not the holder of a licence for the appropriate class and use applicable to the operation of the **Insured's Vehicle** or its components, or who is breaching any condition of their licence.

**PROVIDED** this Exception shall not apply if the driver had held, and is not disqualified from holding or obtaining, and actually obtains a licence, NOR if the **Insured's Vehicle** is being used for the purpose of teaching a learner to drive if all requirements of the law are being complied with.

- f) being **Driven** by any person, who:
  - i. is under the influence of any intoxicating substance or drug; or
  - ii. has a proportion of alcohol in the blood which exceeds the legal limit (this Exception shall apply notwithstanding the driver may have died as a result of the **Accident**); or
  - iii. has a proportion of alcohol in the breath which exceeds the legal limit; or
  - iv. fails to supply a blood or breath sample as required by law; or
  - v. fails to stop, or remain at the scene, following an **Accident** as required by law.

[continued...]

**PROVIDED :**

- i. A certificate of conviction of the driver may be used by **Zurich** as sufficient evidence for these Exceptions to apply where the offence was committed at the time of or following the **Accident**.
- ii. A certificate of analysis of the driver's blood or a reading from an evidential breath testing device of the driver's breath may be used by **Zurich** as sufficient evidence of the driver's minimum blood or breath alcohol level at the time of the **Accident**.

Exceptions 1(a) - 1(d) shall not apply in respect of **Loss** which results from theft or conversion.

2. incurred by the **Insured** by virtue of an agreement and which would not have attached in the absence of such agreement.
3. for loss or damage to the **Insured's Vehicle** caused by lawful seizure, confiscation, repossession or acquisition.
4. for death or injury which is recoverable under any statute or policy of insurance in substitution thereof.
5. which is directly or indirectly caused by:
  - a) war, invasion, act of foreign enemy, war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power;
  - b) confiscation, nationalisation or destruction or damage to property by order of government, public or local authority;
  - c) nuclear weapons material;
  - d) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel. Solely for the purpose of this Exception combustion will include any self-sustaining process of nuclear fission.
6. deliberately brought about by any **Insured** under this Policy.
7. for any exemplary damages. *(please refer to the Exemplary Damages Extension)*
8. to any electronic device caused by the failure of that device. For the purposes of this Exception electronic device shall mean any computer or other equipment or system for processing, storing or retrieving data and shall include, but not limited to any computer hardware, firmware, software, media, microchip, integrated circuit or similar device.
9. notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is agreed that this Policy does not insure any **Loss**, liability, death, injury, illness, or any other form of cover otherwise available under this Policy of whatsoever nature directly or indirectly caused by, resulting from or in connection with any:
  - a) act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to such **Loss**, damage, liability, death, injury, illness, cost or expense; or
  - b) action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

## POLICY EXTENSIONS

### J. Automatic Extensions

#### 1. ADDITIONS AND DELETIONS

All **Vehicles** sold or traded by the **Insured** or destroyed will be treated as deleted from the Policy from the date of their disposal and any new or additional vehicle acquired by the **Insured** will be held covered by this Policy from the date of their acquisition, **PROVIDED** all acquisitions are advised to **Zurich** within forty five days from their date of acquisition and immediately in respect of those vehicles over the limit specified in the **Schedule**. The premium for all acquisitions and deletions will be adjusted on **Zurich's** current premium rates. The value for each additional **Vehicle** will be its purchase price and in respect of deletions the value declared on the most current **Schedule** at the time of deletion.

#### 2. BREACH OF CONDITION

Cover provided by this policy will not be invalidated by any breach of Condition, where the breach occurs without the knowledge of the **Insured**, **PROVIDED** **Zurich** is immediately notified of such breach.

#### 3. CAR POOLING AND SHARING

Payment made by passengers as part of a car sharing / pooling agreement does not constitute the conveyance of passengers for hire or reward.

#### 4. CLAIM PREPARATION COSTS

Section 1 is extended to cover reasonable costs incurred by the **Insured** for preparing a claim for Loss which is payable under Section 1 or proving that the **Loss** is claimable under Section 1.

**Zurich's** total liability shall not exceed the limit specified in the **Schedule**, in respect of any one claim nor begin unless such costs exceed \$500 in respect of any one claim.

#### 5. CLEANING UP COSTS

Section 2 is extended to cover costs, involved in cleaning or restoring the site of an **Accident** following **Loss**, which is a claim payable under Section 1, to as practically the same condition which existed immediately prior to the **Accident**, charged by any entity.

**Zurich's** total liability shall not exceed the limit specified in the **Schedule**, subject always to a **Deductible** of \$500 each and every claim.

#### 6. DEFENCE COSTS

If the **Insured** or one of their employees is:

- a) charged with manslaughter or reckless or dangerous or careless driving causing death;
- b) legally represented at any enquiry or coroner's inquest in connection with such death;

and such death arises from **Loss**, which is a claim payable under Section 1, this extension covers the reasonable costs of legal representation,

**Zurich's** total liability shall not exceed the limit specified in the **Schedule** in respect of any one **Accident**.

#### 7. DISABILITY MODIFICATIONS

If the **Insured** is injured as a direct result of **Loss** covered under Section 1 resulting in permanent disability which necessitates vehicle modifications (such as hand controls), either to an **Insured Vehicle** or to the **Insured's** private vehicle, Section 1 is extended to cover the reasonable cost of these modifications.

**Zurich** is only liable in excess of any amount payable by the Accident Compensation Corporation, and its total liability will not exceed \$5,000 for any one **Accident**.

#### 8. EMPLOYEES VEHICLES

This Policy is extended to cover employees vehicles or any other vehicle used by an employee, not being the property of their family residing with them, **PROVIDED**:

- a) any claim for **loss**, damage or liability arises solely while the vehicle is being used on the **Insured's** business;
- b) the business use of their vehicle results in the employees personal motor vehicle insurance no longer applying;
- c) **Zurich's** total liability shall not exceed the limit specified in the **Schedule** in respect of any one **Accident**.

#### 9. EXEMPLARY DAMAGES

In the event of an **Accident** giving rise to a claim payable under of this Policy, Section 2 is extended to cover the legal liability of the **Insured** for exemplary damages in respect of death or bodily injury awarded by a New Zealand court, **PROVIDED**:

- a) **Zurich's** total liability shall not exceed the limit specified in the **Schedule** in respect of any one claim and in the aggregate for all claims during any one **Period of Insurance**;
- b) Each and every claim under this extension is subject to a separate **Deductible** of \$5,000.

There is no indemnity under this extension:

- a) if the claimant was involved either directly or indirectly in driving, operating, directing or controlling the **Insured's Vehicle** at the time of the **Accident**;
- b) for exemplary damages arising from any dishonest, fraudulent or malicious act or omission by the **Insured** or anyone acting on behalf of the **Insured** or from any claim first notified to the **Insured** but not notified to **Zurich** within six months of that date.

Notwithstanding the Other Insurance condition, if at the time of the **Accident** there is any other valid and collectable insurance covering all or part of the same claim, this Policy will apply only to the amount of the claim over that recoverable under the other insurance.

#### 10. FUNERAL EXPENSES

If the **Insured** dies as a direct result of **Loss** covered under Section 1, whether or not death occurs at the time of the **Loss**, this policy covers all funeral expenses associated with the burial or cremation of the Insured, in excess of any amount payable by the **Accident Compensation Corporation** or another Insurance Provider. Cover includes any travel costs within New Zealand of the deceased **Insured** or any member of his or her immediate family (e.g. father, mother, brother).

**Zurich's** total liability will not exceed \$5,000 in respect of any one Accident.

#### 11. GOODS AND SERVICES TAX

Policy sub limits and **Deductibles** are GST inclusive, whereas **Market Value** is exclusive of GST (a claim for total Loss will be settled up to the maximum amount insured by this Policy plus GST.)

**12. GOODS IN TRANSIT**

If there is a fire, or collision or impact of the *Insured Vehicle* with any object, or an overturning of the *Vehicle*, for which a claim is payable under Section 1 of this Policy, this extension covers loss or damage to the *Insured's* property which was being carried by the *Vehicle*, **PROVIDED Zurich's** total liability shall not exceed the limit specified in the *Schedule*, in respect of any one Accident, subject always to a *Deductible* of \$50.

**13. HOISTS**

This extension covers mechanical breakdown or failure of hoists, permanently attached to the *Insured's Vehicle*, which is not due to wear and tear.

*Zurich's* total liability shall not exceed the Limit specified in the *Schedule* in respect of any one *Accident*, subject always to a *Deductible* of \$500 or the *Deductible* whichever is the greater, in any case not exceeding the limit specified in the *Schedule*.

**14. INVALIDATION**

*Zurich* shall indemnify the *Insured*, where the *Insured* has not waived any right of recovery against the driver or any other person(s) who has caused the loss or damage, in respect of loss or damage to *Insured's Vehicle*, whilst the *Insured's Vehicle* is being driven without the knowledge and consent of the *Insured*, in a manner which would fall within a Policy Exception, should a claim arise under Section 1 of this Policy. This Condition also extends to indemnify the *Insured* for any Section 2 liability which may arise from such loss or damage.

For the purposes of this extension only, *Insured* shall mean any person employed by the *Insured* with the delegated authority of the *Insured* named in the *Schedule*, to control the conduct of the driver or, if the driver is of such senior capacity that his/her knowledge and consent is effectively the knowledge and consent of the *Insured*, the driver himself / herself.

**15. JOINT INSURED**

Where there is more than one *Insured* named in the *Schedule*, Section 2 is to apply separately to each *Insured*, in the same manner and to the same extent as if a separate Policy had been issued to each. *Zurich's* total aggregate liability, for all *Insureds*, shall not exceed the limit of liability under Section 2.

**16. KEYS AND LOCKS**

In the event that a *Insured's Vehicle's* keys are damaged, lost or stolen, this extension will pay for the reasonable costs of their replacement and the recoding of electronic locks and ignitions where required.

*Zurich's* total liability shall not exceed the limits specified in the *Schedule* both in respect of any one *Loss* and in the aggregate for all claims in any one policy period. An excess of \$250 shall apply to each and every claim (including claims pertaining to theft).

**17. LEASE VALUE**

If the *Insured's Vehicle* suffers a total or constructive total loss, settlement under Section 1 in respect of cars, stationwagons, vans and utilities only, shall be on the basis of *Market Value* or Lease Value whichever is the greater at the time of *Loss*. Lease Value shall mean the residual value of the *Insured's Vehicle* which the lease company expects to realise at the termination of the contract. However no settlement under this extension shall include any:

- a) penalties for early termination;
- b) penalties for any additional distances travelled;
- c) unpaid outstandings;
- d) penalties resulting from lack of or poor servicing or maintenance;
- e) balloon payments;
- f) payment on a lease where there is a guarantee buy back where the residual value exceeds more than 20% of the *Insured's Vehicle* resale value.

*Zurich's* total liability shall not exceed the limit specified in the *Schedule* in respect of any one *Loss*.

**18. LOAD RECOVERY**

Section 1 is extended to cover the reasonable costs incurred in salvaging any load carried by a *Insured's Vehicle* which following *Loss*, for which a claim is payable under Section 1 of this Policy, has spilled onto a road, carriageway or parking area, including the costs of reloading or trans-shipping the load to the nearest place of safe storage.

*Zurich's* total liability shall not exceed the limit specified in the *Schedule* in respect of any one *Accident*.

**19. MARINE LIABILITY**

If the *Insured's Vehicle* is transported by sea or air between places in New Zealand, Section 2 is extended to cover General Average and Salvage Charges, adjusted according to the contract of affreightment and or the governing law and practice, and covers the *Insured* against such proportion of liability under the "Both to Blame Collision" clause contained in any Contract of affreightment. For example the vessel carrying the *Vehicle* is involved in a casualty or if cargo is jettisoned to save the voyage because the vessel is at peril, *Zurich* shall cover contributory costs, regardless of whether or not the *Insured's Vehicle* was damaged.

**20. MOVEMENT OF OTHER VEHICLES**

Notwithstanding Section 2 Exception 4, this extension covers liability arising out of the movement by the *Insured* of any vehicle, which was parked in a position which prevented or impeded the *Insured* from attending any emergency, or legitimate passage of the *Insured's Vehicle* or during loading or unloading of any *Insured's Vehicle*.

**21. NEW REPLACEMENT VEHICLE**

In respect of any car, station wagon, utility, van or four wheel drive passenger jeep, if there is a total or constructive total Loss, for which a claim is payable under Section 1, occurring within twelve (12) months of the *Insured's Vehicle* being first registered as a new vehicle, *Zurich* shall at their option either provide the *Insured* with or reimburse the *Insured's* actual price paid for a new replacement vehicle of similar make and model, whichever is the lesser.

**22. OTHER INTERESTED PARTIES**

If there is any person or party who has a financial interest in any *Insured's Vehicle*, which have been notified to *Zurich*, the proceeds of any claim under Section 1 of this Policy will be payable to such person or party in the order of their legal priority and the receipt of proceeds shall be sufficient discharge.

*Zurich's* total liability shall be limited to such amount as would have been payable to the *Insured* in the absence of this extension.

**23. PORTABLE ELECTRONIC VEHICLE ACCESSORIES**

Section 1 of this policy is extended to cover damage to and theft of Radar Detectors and GPS navigation systems (such as 'Navmans') whilst in or attached to a *Insured's Vehicle* at the time of the loss.

*Zurich's* total liability shall not exceed the limits specified in the *Schedule* in respect of both any one *Loss* and in aggregate for any one policy period. An excess of \$250 shall apply to each and every claim (including claims pertaining to theft).

**24. PRINCIPALS INDEMNITY**

In respect of any construction or works project, Section 2 of this Policy is extended to indemnify the Principal of such project, but only in respect of their legal liability in terms of cover afforded by Section 2 of this Policy arising from accidents in connection with an *Insured's Vehicle*, used or operated in connection with such projects.

**25. PROGRESS PAYMENTS**

In the event of **Loss**, for which **Zurich** accepts liability under Section 1, **Zurich** shall make progress payments **PROVIDED** the **Insured** supplies an interim statement of such **Loss** which is approved by **Zurich's** assessor.

**26. RENTAL VEHICLES**

If the **Insured** does not accept the vehicle owner's statutory offer of insurance, this extension covers hired vehicles, as if they were a **Insured's Vehicle**, for the **Insured's** liability;

- a) to the owner of the vehicle, against:
  - i. **Loss** under Section 1 of this Policy, subject to the limit specified in the **Schedule** in respect of any one **vehicle**;
  - ii. Consequential losses caused by a **Loss** for which a claim is payable under (i) above, subject the limit specified in the **Schedule** in respect of any one claim;
- b) under Section 2 of this Policy.

**27. SIGN WRITING**

Section 1 of this policy is extended to any sign writing affixed to the vehicle. **Zurich's** total liability shall not exceed the limit specified in the **Schedule** in respect of any one **Accident**.

**28. SUBROGATION WAIVER (GROUP COMPANIES)**

Where the **Insured** is a parent or subsidiary in a group of related companies, this policy will not be invalidated by the **Insured** waiving or having waived any right of recovery **Zurich** may have against any other company in the same group, which is covered by this Policy.

For the purposes of this extension, a subsidiary company means a company, more than half the nominal value of whose equity share capital is owned by a parent company either directly or through other subsidiaries; and a group of related companies means a group of companies related to one another by virtue of such ownership.

**29. THEFT COSTS**

If **Loss** results from theft of a **Insured's Vehicle** in its entirety, which is payable under Section 1 of this Policy, this extension covers reasonable costs incurred by the **Insured** for:

- a) the protection and recovery or attempted recovery of the **Insured's Vehicle**;
- b) any reward offered, with **Zurich's** prior approval; for the return of the Vehicle;
- c) hiring another vehicle of similar make and model
  - i. maximum weekly limit as specified in the **Schedule**;
  - ii. maximum limit any one claim as specified in the **Schedule**;
  - iii. **Deductible** of seven (7) days.

**Zurich's** total liability shall not exceed the limits specified in the **Schedule** in respect of any one claim.

**30. TRAVEL COSTS**

If as a result of **Loss** which is payable under Section 1 of this Policy, the **Insured** cannot complete their journey, Section 1 is extended to cover reasonable costs incurred in:

- a) hiring another similar **Vehicle** to either continue the journey, until the **Insured's Vehicle** has been returned from the repairer, or returning to where the journey first commenced; and
- b) returning the **Insured's Vehicle** to the **Insured**, in order to continue their journey, or to where the **Insured's Vehicle** is normally based, following its repair.

**Zurich's** total liability shall not exceed the limit specified in the **Schedule** in respect of any one **Accident** and in the aggregate for all **Accidents** in any one **Period of Insurance**.

For the purposes of this extension a journey is any travel where the destination is outside of the city or town limits from where travel commenced.

**31. TREADS & TRACKS DAMAGE**

The Policy is extended to cover damage to tyres (including its inner tube) or metal tracks fitted to any *Insured's Vehicle*, other than a *Vehicle* principally used for road transport (eg van or truck).

*Zurich's* liability shall not exceed the current replacement cost of the damaged tyre or track at the time of *Loss*, less a reasonable deduction for its use, subject to the limit specified in the *Schedule* in respect of any one tyre of and a *Deductible* of \$50 for each and every claim.

**32. UNINSURED THIRD PARTY EXTENSION**

Where there is *Loss*, which is payable under Section 1 of this Policy, and the Third Party or their driver has no valid and collectable insurance, Section 1 is extended to cover the *Insured's* No Claim Bonus, Policy *Deductible*; or uninsured *Loss*, where:

- a) the Third Party's driver was at fault in the *Accident*; and
- b) the identity of the Third Party and the driver are established; and
- c) the *Insured* is unable to make any recovery from the Third Party or the driver.

In respect of Third Party only and Third Party, Fire, Theft and Conversion covers, *Zurich's* total liability will not exceed the limit specified in the *Schedule* for any one *Accident*.

**33. VEHICLE SALVAGE & SAFETY**

Section 1 of this Policy is extended to cover reasonable costs incurred in salvaging or recovering the *Insured's Vehicle*, including the costs of ensuring its safety and delivery to a place of suitable repair or inspection, following *Loss* for which a claim is payable under Section 1 of this Policy.

**34. WEIGHT DAMAGE**

Notwithstanding Section 2 Exception 2, Section 2 is extended to cover liability caused by either the:

- a) weight of the load carried by the *Insured's Vehicle*; or
- b) weight of the *Insured's Vehicle*; or
- c) combined weight of the load and the *Insured's Vehicle*.

*Zurich's* total liability shall not exceed the limit specified in the *Schedule* for any one *Accident* and subject to a *Deductible* of \$2,000 for each and every claim.

## K. Optional Policy Extensions

The following extensions only apply when stated in the *Schedule*

### 1. WINDSCREENS AND WINDOWGLASS

If *Loss* occurs solely to any windscreen or window glass, this extension covers the cost of either repairing or replacing them. Any payment by *Zurich* will not be subject to any *Deductible*, provided the *Deductibles* listed in the *Schedule* list windscreens and window glass as a *Deductible* proviso, nor prejudice the *Insured's* premium rating.

### 2. BURNING COST

At the end of each *Period of Insurance*, the Deposit Premium shall be adjusted by dividing the amount of Losses incurred by Percentage A stated in the *Schedule*, to produce the actual premium due. If the actual premium due is greater than the Deposit Premium, the *Insured* shall pay the difference to *Zurich* up to a maximum equal to Deposit Premium plus Percentage B stated in the *Schedule*. If the actual due is less than the Deposit Premium, *Zurich* will refund the difference to the *Insured* to a minimum the Deposit premium less Percentage A stated in the *Schedule*.

For the Purposes of this extension only:

- a) Deposit Premium shall mean the amount of all gross premiums charged to the *Insured* less any returns made during the year;
- b) Losses shall mean the total amount of claims paid and reasonable estimates of claims yet to be paid, including fees and net of actual and estimated recoveries as a result of *Accidents* during the *Period of Insurance*.

### 3. PROFIT SHARE

At the end of each *Period of Insurance*, the Deposit Premium shall be adjusted on the Loss Ratio actually achieved. If the Loss Ratio is more than 60% then no refund of premium is due. However if the Loss Ratio is equal to or less than 60%, the *Insured* shall be entitled to a refund by applying one of the following Profit Share Percentages against the Deposit Premium less Losses:

Loss Ratio Profit Share Percentage

- Less than 40%, 20%
- Between 41% and 50%, 15%
- Between 51% and 60%, 10%
- Over 60%, NIL

Upon renewal of this policy for a further year, it is conditional that any Profit Share refund shall only be credited against the following years renewal premium.

For the Purposes of this extension only:

- a) Deposit Premium shall mean the amount of all gross premiums charged to the *Insured* less any returns made during the year, but not including any previously earned Profit Share credit;
- b) Loss Ratio shall mean the percentage derived by dividing Losses by the Deposit Premium;
- c) Losses shall mean the total amount of claims paid and reasonable estimates of claims yet to be paid, including fees and net of actual and estimated recoveries as a result of *Accidents* during the *Period of Insurance*.

**4. LOSS OF USE (Replacement Vehicle Costs)**

If Loss prevents the Insured from using their **Vehicle**, this extension covers the reasonable cost of hiring a substitute vehicle, **PROVIDED:**

- a) This extension will apply to **Insured Vehicles** specified in the **Schedule** which are designated as subject to this extension;
- b) The **Insured** has suffered a **Loss** for which a claim is payable under Section 1 in excess of the Policy **Deductible**;
- c) The cover under this extension is in addition to the cover for **Loss** and is subject to the **Deductible** for this extension specified in the **Schedule**;
- d) Compensation will begin when the **Insured Vehicle** is delivered to the repairer to start the repair or from the date of **Accident** if the **Insured Vehicle** was totally disabled or lost at that date subject to the excess period specified in the **Schedule**;
- e) Compensation will cease when the repairs are completed and the **Insured** has taken delivery of the **Insured Vehicle** or has returned the substitute hire vehicle (whichever occurs first). In the case of total loss Compensation will cease from the date when the **Insured** receives payment for the total loss;
- f) The substitute vehicle is of similar specification to the **Insured's Vehicle**;
- g) No compensation will be paid if the **Insured** has available a free replacement **vehicle** or purchased an additional or replacement **vehicle**;
- h) The repair or replacement of the **Insured Vehicle** is carried out with reasonable dispatch. Any delay beyond the reasonable control of the **Insured** will not be considered as a breach of this provision;
- i) **Zurich's** total liability under this extension will not exceed the limits specified on the **policy schedule**.

For the purposes of this extension only **Insured Vehicle** means only those vehicle(s) specified on the Policy Schedule as having elected this extension.

## POLICY CONDITIONS

### L. Claims Conditions

#### 1. SECTION 1

If there is a claim under Section 1, the **Insured**:

- a) must take prompt steps to prevent and minimize **Loss**; and
  - i. where the **Vehicle** can be driven safely and without causing further **Loss**, take it to a repairer or otherwise have it towed to the nearest suitable repairer or tow-yard; and
  - ii. as soon as possible inform the nearest office of **Zurich** and complete a claim form and deliver it to **Zurich**.
- b) NOTE: No repairs should be carried out until **Zurich's** surveyor/assessor has examined the **Vehicle** and approved any repair work, unless this requirement is specifically waived by **Zurich**, prior to the commencement of the repair;
- c) is responsible for the payment of the **Deductible** to the repairer.

#### 2. SECTION 2

If there is a claim, or possible claim, under Section 2:

- a) the **Insured** must as soon as possible notify the nearest office of **Zurich** to obtain and complete a claim form, if not already completed for a claim under Section 1, and deliver it to **Zurich** and must not, without the written consent of **Zurich**:
  - i. incur any expense in making good any **Loss** to the property of others or incur any legal expense; or
  - ii. make any statement or take action which may be considered to be an admission of liability; or
  - iii. negotiate, pay, settle, admit or repudiate any claim made by another person, but must refer that person to **Zurich**, who shall be entitled to handle the claim on behalf of the **Insured**;
- b) **Zurich** may pay to the **Insured** or agree to pay, as and when incurred by the **Insured**, the full amount of **Zurich's** liability for a claim under Section 2 and relinquish the conduct of any claim, defence or proceedings. **Zurich** will not be liable for any costs or expenses whatsoever incurred by the **Insured** or other person after **Zurich** will have paid such amount and relinquished such conduct.

#### 3. ADDITIONAL INFORMATION

The **Insured**, or any other person, shall as often as may be reasonably required submit to an examination under oath by any person named by **Zurich**, and must co-operate with **Zurich** and supply any information or documentation or statute declaration **Zurich** may reasonably require.

#### 4. NOTIFICATION TO AUTHORITIES

The **Insured** will notify the police immediately in respect of **Loss** or liability as a result of theft, conversion, arson, malicious damage; or death or bodily injury to any person; including the names and identities of any suspect or offender. Where an offender is positively identified the **Insured** must lay a formal complaint with the police and request that charges be brought against the person or party responsible.

#### 5. TOTAL LOSS

If there is any payment by **Zurich** in respect of the total Loss (or constructive total Loss) of any **Insured Vehicle**, the cover granted by this insurance on such **Insured Vehicle** ceases entirely from the date of such **Loss** and no premium will be refundable for the unexpired Period of Insurance in respect of that **Insured Vehicle**. The **Insured Vehicle** then becomes the property of **Zurich**.

## 6. SUBROGATION

If **Zurich** indemnifies the **Insured** for any **Loss** or liability it shall be entitled to instigate, take over or defend any legal proceeding in the name of the **Insured**, including any claim or counterclaim, and shall have full discretion to conduct or settle such proceedings including any recovery action. The **Insured**, named in the **Schedule**, shall render **Zurich** all reasonable assistance.

## M. General Policy Conditions

### 1. CANCELLATION

The **Insured** may cancel this Policy at any time by giving written notice to **Zurich**. **Zurich** shall refund to the **Insured** any unexpired premium already paid on a pro rata basis, **Zurich** though retains the right to charge a short period cancellation fee. **Zurich** may cancel this Policy, by written notice to the **Insured**, either delivered personally, posted, facsimiled or emailed to the address last known to **Zurich**. Cancellation shall be effective from 4.00 pm on the 30th day after delivery.

### 2. CHANGE OF EXPOSURE

This Policy was arranged on the basis of the information supplied to **Zurich** by or on behalf of the **Insured**. If any circumstance(s), with regard to the nature of the risk being insured, change during the currency of the Policy, the **Insured** will notify **Zurich** as soon as the **Insured** becomes aware of such change, for example:

- a) modifications made to the **Insured's Vehicle** (excluding conversion to LPG or CNG);
- b) change in the use of the **Insured's Vehicle**;
- c) change in the physical ability of any driver.

### 3. DILIGENCE

The **Insured** will take all reasonable steps to protect their **Vehicle** from **Loss** and shall comply with all legal requirements as to safety, maintenance and operation of their **Vehicle**.

### 4. FRAUD

If any fraudulent means or devices are used by the **Insured**, or anyone acting on behalf of the **Insured**, when entering into this insurance or to obtain any benefit under this Policy, all benefits under this Policy are forfeited.

### 5. INSTALLMENT PREMIUMS

If the **Insured** elects to pay the premium by installments then:

- a) The installment payment plan must first be approved by **Zurich**;
- b) If paying quarterly then, notwithstanding the **Period of Insurance** stated in the Schedule, the **Period of Insurance** is for 3 months only. However it will be continuously renewed thereafter for a further **Period of Insurance** of 3 months by payment of the next installment due at the end of the previous **Period of Insurance**, until such time as this insurance is cancelled;
- c) If paying monthly, notwithstanding the **Period of Insurance** stated in the Schedule, the **Period of Insurance** is for 2 months only. However it will be continuously renewed thereafter for a further Period of 1 month by payment of next installment premium due at the end of the previous **Period of Insurance**, until such time as this insurance is cancelled;
- d) Where there is total or constructive total Loss which is covered by this Policy, **Zurich** shall be entitled to deduct from any payment made to or on behalf of the **Insured** or anyone entitled to indemnity under this Policy, an amount equivalent to the annual premium otherwise payable by the **Insured** if the decision had not been made to pay the premium by installments.

**6. OBSERVANCE**

The due observance and fulfillment of the terms, provisions, conditions and endorsements of this Policy in so far as they relate to anything to be done or complied with by the *Insured*, and the correctness of the statements and answers in the Proposal or supporting statements, or in any claim form, or in any statement in support of a claim, whether made by the *Insured* or by others on behalf of the *Insured*, will be conditions precedent to *Zurich's* liability to make any payment under this Policy.

**7. OTHER INSURANCE**

If at the time any claim arises under this Policy, there is any other existing insurance covering the *Loss* or liability, this Policy will only apply in excess of the other insurance, even if there is a similar 'Other Insurance' condition in the other insurance policy.

**8. SUMS INSURED**

The values submitted to *Zurich* for all *Insured Vehicles* must represent, as nearly as possible, their current *Market Value*. Values such as book value, depreciated cost, written down value and residual value will not be sufficient to comply with this Policy condition.

In the event of a claim *Zurich* may require the *Insured* to provide schedules of *Insured Vehicles* showing their book value, depreciated cost, written down value or residual value in the *Insured's* business records.

**9. THE CONTRACT**

This Policy, and any *Schedule*, endorsements or proposal shall be read together as one contract.

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